

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6968**

**BILL NUMBER:** HB 1188

**NOTE PREPARED:** Dec 31, 2005

**BILL AMENDED:**

**SUBJECT:** Expanded Gary Airport Authority Tax Base.

**FIRST AUTHOR:** Rep. Smith V

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill provides that the district of the Gary Airport Authority consists of the combined area of Lake County and Porter County.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** Property Tax Replacement Credits and Homestead Credits would not be affected by this provision.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** The bill increases the tax base for the Gary Airport Authority. The 2005 assessed valuation for the airport authority was about \$1.94 B with an operating fund tax rate of \$0.0677. The combined assessed valuation of Lake and Porter Counties for CY 2005 was about \$27.3 B.

The bill would reduce the operating fund tax rate from \$0.793 to \$0.0048 for taxpayers within the current airport authority taxing district and increase the tax rate taxpayers in Lake and Porter Counties outside the airport authority by \$0.0048.

The airport would be able to raise more from its cumulative building fund. The current rate of \$0.116 generated \$224,669 for CY 2005. The same rate applied to the new assessed value base in Lake and Porter Counties

would generate about \$3.1 M.

**State Agencies Affected:**

**Local Agencies Affected:** Gary Airport; Lake and Porter Counties.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.